

Meeting Notes
October 20, 2009

Community Involvement Advisory Council

Members Present: Dr. Bruce Allison, Robert Frederick, Dr. Bethany Hall-Long, Dr. Jay Julis, Pamela Meitner, La Vaida Owens-White, William Pelham, Brian Lewis, Marvin Thomas, Harold Truxon. Ten members present, 1 member absent, quorum met.

Members Absent: Douglas Corey

Others Present: Keith Rudy, Jim Black, Debbie Heaton, Bill Osborne, Erika Benner, Amy Roe, David Bacher, Greer A. Peacock, Keith Lake, Francis Murphy, Christina Wertz, Vicki Ward, James Brunswick

I. Meeting called to order

Mr. Pelham called the meeting to order, reminding all visitors to please sign in. Introductions were made around the table for the benefit of all present. La Vaida, Pam, Jay, Bill Osborne TMA, Christina, Brian, Erica Benner, Bob Collin O'Mara, Harold Truxon, Senator Bethany Hall-Long.

II. Meeting Protocol Review

Mr. Pelham reviewed the mission of the Community Involvement Advisory Council as set forth in 29 Delaware Code, Section 8016A.

III. Approval of Meeting Notes

MOTION: For the August 18, 2009 meeting notes, Bob made a motion to approve which was second by La Vaida; all were in favor, the motion passed to approve the notes.

MOTION: For the June 9, 2009 meeting notes, Pam motioned to approve which was second by Harold, all in favor, the motion passed to approve the notes.

IV Secretary O'Mara Remarks

The Secretary informed Council of the intention to hold corporations accountable for their actions through enforcement actions. A case going back to 1988 was recently issued for a 1.2

million dollar fine. We want to make sure we bring all into compliance. As the economy turns, we have seen the close down of companies, such as NVF the first week I arrived. Events such as this claim resources to clean up.

The Governor and I have a vision for a green economy, working to broaden the economy by dedicating stimulus funds to increase resource efficiency and reduce energy costs. transportation resources. Governor Markell has capitalized on the linkage between progressive energy policies and economic vitality. Delaware's strategy is to achieve three outcomes: Green Savings, Green Opportunities, and Green Talent. The goal is to create a functioning marketplace for green products that reduce energy and water consumption, adopt renewable and efficient energy technologies, and reduce environmental impacts from energy generation and consumption. Through an array of programs and policies, Delaware is moving to incentivize residents and companies to adopt low-emission, sustainable practices as a way to improve their short and long-term financial well-being.

V. Open Forum

Pam noted members of the committee meetings come from all over and conference call ability would be a valuable tool. Collin agreed, yes, with the location of meeting as a prerequisite.

Harold stated Sussex County has 18,000 septic tanks leaking, but missed stimulus funds. Collin indicated they gave us 16-million dedicated to septic, 3,000 septic systems are being eliminated in Sussex without creating sprawls. There will be 10-15% fewer in Sussex.

Pam stated the news article this morning announced the new environmental program at the University of Delaware. Collin stated the University of Delaware signed an agreement with a European wind manufacturer out of western Pennsylvania.

Marvin brought up the pending contributions to the Southbridge Civic Association from permitted facilities such as the new composting plant that were made possible through the Coastal Zone Act. Several months ago, these developers agreed to make \$2500 contributions to our proposed Tree Maintenance program, but we have yet to receive the promised funds. Collin responded that he had been informed that the facility operators had been contacted, and that the checks were on their way to the Civic Association, but that he will check back with the developers and have OTS staff report to Marvin.

Pam mentioned the Peterson Center at the Riverfront, which was a joint effort with DNREC. Collin stated the Nature Society and DNREC have worked together. The Nature Society and DNREC will run this, with DNREC providing content support, we will also be working with DelDOT to develop a low carbon footprint. We have worked with Education Secretary, Lillian Lowery, to work with the schools, exposing children to sustainable practices, natural habitats and the love of nature, “no child left inside”.

Harold referenced the first bullet of our mission “Ensure that no community in the State is disparately affected by environmental impacts”. Sussex County seems left out of Community Environmental Project Fund resources. Collin stated he could appreciate the sentiment. However, the legislation establishes that funds are been directed to the communities where the infractions occurred and the surrounding communities. Unfortunately, Sussex County has more wastewater issues that do not draw such significant penalties as those in industrialized New Castle County.

Bethany stated there is always a big question on where the money can be used. Funds can be used statewide It comes to you and your advisory. Collin stated it is a challenge to let people know money is available. We now have a new application process.

Bill – thank you very much, uplifting and inspiring.
Collin – departs.

VI. Community Ombudsman Report

- **2010 CEPF Application Booklet and Timeline**

James shared the draft application booklet; it is mostly unchanged except for the dates. Last year in 2008, the CIAC voted to require applicants to submit an audited financial statement as a part of their application. As it turned out, that was a prudent decision by the Council.

Recommendations to require this sort of documentation were a part of the findings of the Auditor of Accounts Special Investigation of the Peoples Settlement Green Energy Green Savings grant. The Office of the auditor recommended that in the future, we review the financial capacity of all grantees to handle project funds.

Pam questioned who would do this. James said he would work with the DNREC Fiscal Office to review financial statements. We will also incorporate a set of questions that were developed for the New Castle County Small grants program. They were offered as an example by Deputy

Auditor Robert Hicks as the sort of review we could build into the application process for non-profits with income under the \$25,000 IRS 990 threshold. We will likely incorporate the recommendations after a review with Bob Zimmerman, DNREC Chief Operating Officer,

Otherwise, the same as last year, we will begin the funding year with two workshops; Nov 2 in Dover and November 16 in Lukens. The workshops are advertised in the papers, by public notice in the Delaware State News and News Journal, and on the DNREC web site. The deadline for 2010, was moved back some, changed to January 18. There is no requirement for workshop attendance to submit a grant application.

Project Sponsor – each project requires a DNREC sponsor, to help develop the project. The sponsor receives receipts and invoices for expenses of project. Applicants must submit their sponsor's name along with their request. If we continue with our pattern of meeting dates with the move to the 3rd Tuesday of the month, applicants will need to bring projects to the February 16, 2010 Council meeting for presentation. There is \$379,000 available for grant funds.

The application booklet will be online by November 1, 2009

Council asked if there are any penalty awards between now and February. James indicated we could not predict the timing of when funds will be received, but the Sussex County penalty levied on Invista, last year, about \$125,000 will be available.

Bill questioned professional services. James indicated on page 6 of the booklet professional services is covered. Less than \$25,000 is open market; \$25,000 - \$49,999 requires bids and over \$50,000 requires the formal bid process laid out in the procurement act.

It was noted that January 18 is a Monday of a 3-day weekend and we might want to reconsider the application due date and change to COB 4:30, Friday, January 15 as the deadline.

- **Peoples Settlement Association/Green Energy Green Savings Update**
 - **Report by PSA Officials**

James: Peoples Settlement submitted a grant application November 20, 2007. CIAC recommended funding to the Secretary for \$71,080 for the Green Energy Green Savings project. The project was to have 25 households to participate in a weatherization study. First, 10 households were to have an energy audit by the Energy Services Group. It is sophisticated, a large fan is sealed in the doorway, and the company detects escaping air with an infrared scope.

Insulation, windows, furnaces are all inspected. Based on the energy audit, weatherization and retrofits would be made on 10 households. A pre and post testing report on energy consumption was to be developed by University of Delaware, College of Energy, and Environmental Policy. The project got underway as agreed with the selection of 25 low-income households by January 2008. We forwarded \$42,648 to Peoples Settlement to support the start up activities in March 2008.

In December 2008, we were notified by David Small of an article in the paper of a Special Investigation of the Peoples Settlement Association by the Auditor's Office. The State Auditor of Accounts announced the audit was undertaken to investigate possible misuse of funds. The final report has not been issued yet. It is the practice of the State Auditor of Accounts to post the result of investigations on the department's web site. The Auditor discussed the preliminary findings and recommendations with the Department in a conference call. They commended us for requiring the audited financial statements last year, but recommend that we meet the requirement in the Delaware Code that recipients of state funds are subject to an examination of their financial health and their ability to administer state funds.

Peoples Settlement Attorney, Frank Murphy, participated in a conference call discussion about the findings with Bob Zimmerman, DNREC Chief Operating Officer. Bob asked that Peoples Settlement submit a mid-term report of the grant, an accounting for all of the project income and expenditures and a report of the project outcomes. To date the Department's position with Peoples Settlement since December 2008 was to freeze the grant at the initial outlay of the start – up funds. There are two payments pending of 20% each.

The Council acknowledged the presence of representatives of People's Settlement who requested time to present their side. It was agreed, time would be available after other Council business was complete.

- **State Energy Sector Partnership Application**

James supplied a handout of the State Energy Sector Partnership. James participated in series of webinars, the Virtual Policy Academy. The purpose of the Academy was to advance the use of sectoral employment analysis as a basis for targeting job-training dollars. The focus of the grant application is on providing job training and producing employment in the seven energy sectors that comprise the Governor's Climate Prosperity Initiative. The application deadline for approximately \$6 million dollars is actually today, October 20. The application includes DNREC's request for \$500,000 for the development of the deconstruction sector.

Deconstruction involves the salvaging of re-useable materials from the demolition of properties. The grant will provide for development of a deconstruction curriculum. The DNREC Brownfields training is the basis for the construction skills training. The grant will also provide funding for training in basic construction skills; forklift, hazardous materials, asbestos removal, weatherization, solar installation, and a few others that skip my mind now. Training has to result in job placement. One advantage of the deconstruction sector is that large numbers people can go directly to work with just entry-level training.

There will also be a training curriculum developed for a deconstruction manager to inventory and market the salvaged materials in what the industry calls a materials exchange.

La Vaida asked about the criminal justice program, James stated previous Brownfields training resulted in employment of 170 trainees from the Plummer Center.

La Vaida ask if this was connected to Rita Landgraff's program, to which James replied that we would interface, but it is not directly linked to the project.

Bill asked if there had been discussions with Mary DuPont (Deltech) or Ken Davis (Weatherization Assistance Program). James replied yes, there Mary DuPont of Deltech has been involved in the development of the funding application. Ken Davis participated in the initial State Energy Sector Partnership meetings.

The State energy Sector Partnership will continue to meet for the three-year term of the grant. It will establish project teams to continue the development of each sector. James will be working with energy efficiency and deconstruction sector partners in the development of a demonstration project.

The project would demonstrate effectiveness of the Climate Prosperity Initiative and the State Energy Sector Partnership training and employment. James informed the Council that he has met with New Castle County Councilman John Cartier about two possibilities. One project could focus on employment and residential weatherization. Edgemoor Gardens, a low-income community in the Councilman's district is focused on increasing energy efficiency of their homes and increasing home ownership there. The project would involve the recruitment and training of residents in construction and energy efficiency residents would obtain employment. The residents would then use a variety of tax credits to purchase and weatherize their homes. A second project could focus on the weatherization and retrofit of a community center in the New Castle County district.

Bill questioned whether any CEPF funding would be requested for the project, to which James replied, "It is too early to know yet."

- **Virtual Policy Academy Conference Report**

James: I attended a Virtual Policy Academy Conference. One person from each state received a grant to attend. I joined representatives from seven Virtual Policy Academy states; Delaware, Montana, Utah, Wyoming, and the U.S. Virgin Islands, etc. There were 20 in total. We were all part of the conference focusing on advancing the use of sector strategies.

VII. Comments/Questions

PSA Officials:

Bill introduced the representatives of the Peoples Settlement association, Green Energy/green Savings Project; Frank Murphy is representing Peoples Settlement, Keith Lake Executive Director, Amy Roe, University of Delaware, and Center for Energy & Environmental Policy, and Peoples Settlement Board President, Greer Peacock.

Frank Murphy Esquire: Mr. Murphy explained he is an attorney with a private practice. About nine months ago, his firm agreed to provide pro-bono work for Peoples Settlement as they were undergoing an audit. Mr. Murphy and his staff have attended State Auditors meetings and gotten to know Peoples Settlement. Mr. Murphy has been a member of the Delaware Bar Association for 30 years. He is an Attorney for the Delaware State Senate and House of Representatives. He has attended meetings of the SEU and the council, and found this to be rewarding on a personal level.

He first read the audit report and became involved due to his concerns about inflammatory language and mismatch of the facts, as he knew them. I met with Ms. Peacock. There have been some improvement in the financial management of the Peoples Settlement Association since that time; seven new board members have been added including Dr. John Byrnes, Center of Environmental Policy and Nobel Peace Prize recipient, and others. Each has experience in financial management with non-profits. It is a different board than in 2008. The new board wants to have top-flight finance controls and has employed Bob Rieman, former Chief of Accounting for the State of Delaware to lead the way for better financial management. Mr. Rieman was also associated with the University of Delaware. We do not believe the criticism had

merit. We have addressed them in a concrete way. The focus of the last 9 months has been on the Green Energy Green Savings program expenditures.

Six months ago, we asked DNREC to review the grant. DNREC was in a state of flux, under David Small. We have made direct contact with Secretary O'Mara, who has agreed to meet to review the grant program. Secretary O'Mara asked us to prepare a mid-term report.

We have had an exit conference with the State Auditor and responded in writing to report. The Auditor's report has not issued yet. It is expected on Friday, but we have responded in full. We believe that it all has been handled properly.

DNREC Energy Office Director, Charles Smisson felt program was run well. We are anxious to complete the program. If 40% of funding were withheld, not all accomplishments of the program would be able to be put into play. We are anxious to have this meeting.

Amy can talk about Green Energy Green Savings.

I am Amy Rowe a Graduate Research Associate in the University of Delaware College of Energy and Environmental Policy. My responsibility for the project was with the Energy education part. This involved a strong energy education program with 4-hour workshops based presentations, games, to help families take charge of energy consumption, deal with appliances, and maintain weatherization measures.

Pam questioned how many people attended. Amy replied 20 to 30 people at each workshop. It was offered 2 times per day. We found the best size, if it is too large we cannot have the interaction that is needed.

The workshop report will be in the mid term report. There were four different workshops, each held in the a.m. and p.m. Families were required to attend all four workshops. Frank added this is similar to continuing education for all 4 sessions.

Marvin asks about collaboration with Neighborhood House and the target area for the project.

Keith Lake: We target low income areas, 19801 is target zip code, and in New Castle County, New Castle Avenue (Rosehill Community Center area). Neighborhood House and the State Energy Program are in collaboration. We will have the TV show broadcast, if grant continues. We will also make DVDs to disseminate in the community. There will be one video recording of each TV segment. We are doing workshops for the new heating season. We found that senior

citizens do not like activities after 4:00 pm. For the retention of the 27 participating families, we gave gift cards, energy efficient light bulbs; it is open to anyone in public. The workshops were advertized through City Channel 22 announcements.

Ms.Peacock thanked the council for the opportunity to provide this update.

Marvin stated there are two documents, an auditor's report, and one midterm report. Can DNREC make a decision based on a separate review of the information in mid-term from independent of the auditors report? Mr. Murphy stated the Auditor's report should be out soon, it is not an issue. It may be simultaneous with the midterm report. Secretary O'Mara has agreed to meet with us. We have receipts. We have a complete accounting.

Bill asked, was this a separate account? Mr. Murphy stated this is a suggestion I made.

James questioned a separate grant by our energy office of \$57,500 for the 25 households. My understanding was participants in the weatherization program continued to make utility payments to the SEU based on their previous utility bills. The savings were to pay the costs of the weatherization services they received. James was informed that this was not part of this project. Keith stated they did not have any funding with that grant.

Bill questioned if all goes well, and we free up funding, do you have a timeline for project completion? Amy indicated there is an outstanding item. The weatherization has been completed; the final remaining section is the assessment, which could be done by end of year. This is a statistical analysis of energy consumption with before and after measures taking into account weather conditions.

Keith stated the grant called for 10, we exceeded and did 34. Bill asked given the 34, have there been physical improvements? Keith stated that those that got heaters got high efficiency heaters; if it was windows, they were originally to receive got four, but actually got six. So we have exceeded measures set by state weatherization. The audits were done in November/December, and in January and March weatherization, measures were implemented. Some people got replacement for 40 – 50 year old appliances with new energy star units.

Jay requested the report to identify the participating households and what services each one received. James asked about the 34 audits and if they were completed for the budgeted \$750 each. Keith stated they were in kind audits.

Pam stated with no reports and no audit we do not have enough information to make a decision. Mr. Murphy stated it was not expected to have any action today; we just wanted to provide

information you did not have. Reports have not yet issued, no action expected, we wanted to answer any questions you might have. Pam expressed her appreciation. This is very helpful.

Bob requested the record reflect we are available after reports have come out.

Bill questioned whether there are any time issues. Mr. Murphy stated if the secretary is satisfied, we would proceed.

Bill requested a motion to adjourn, Jay so moved with a second by Bob. All so approved.

Bill Osborn of Transportation Management Association was present. TMA Delaware received a grant for the bicycle program.

Jim Black of Clean Air Council also present has been working with the Port on their grant to reduce diesel emissions. He stated we have good relationship with the port and we are working with the port to submit several grants for funding to improve energy efficiency.

Keith Rudy also present with expertise in water allocation, reservoirs, mediations for wetland restorations. He expressed interest in policy and planning and acknowledged the need to integrate issues. He expressed his appreciation for being able to attend meetings.

Bob requested the last comments to be incorporated into the official report. With all comments complete, the meeting was adjourned.

VIII. Adjourn

Respectfully submitted,

Vicki Ward
Administrative Specialist III, DNREC

The notes of this meeting are not intended to be a verbatim record of the topics that were presented or discussed. They are for the use of the Community Involvement Advisory Council members and the public in supplementing their personal notes and recall for presentations.